Allowable Post-Manufacturing Expenses (MAPE) are specified for all price controlled formulations. All these aspects/expenses are part of the MAPE. Various aspects relating to price control, inter-alia including profitability are subject matter of the review of the Drug Policy 1986 which was discussed in the House on August 18, 19 and 23, 1993.

BICP services for pricing

882. DR. NARREDDY THULASI REDDY : Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question 3076 given in Rajya Sabha on 10th August, 1993 and state :

(a) whether Government is continuing to use the services of BICP for drug pricing ;

(b) whether BICP findings have been found to be tainted and biased but Ministry has still found this body indispensable ;

(c) whether it is a fact that a number of officers have managed to say continuously in two or more spells for over a decade in this organisation ; and

(d) what are their names and what steps have been taken to revamp this organisation so as to do justice to the consumers ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE DEPARTMENT OF ELECTRONICS AND THE MINISTER OF STATE IN THE DEPARTMENT OF OCEAN DEVELOPMENT (EDUARDO FALEIRO) : (a) Yes, Sir.

(b) to (d) BICP is an expert organisation of the Government for Industrial Costs and Pricing. Their role is of an advisory nature and final decisions on their recommendations are taken by the Government after due consideration.

Bulk drug Ranitidine and formulation prices

883. PROF. I. G. SANADI :
DR. NARREDDY THULASI REDDY :

Will the PRIME MINISTER be pleased to state :

(a) what is the price of bulk drugs Ranitidine on which the formulation prices are based and when was the price of formulations and the bulk drug fixed :

(b) who are the three major formulators of Ranitidine and whether it is a fact that they are procuring large quantities at Rs. 1200 per Kilogram but are overcharging the price of formulations on the basis of Government approval under DPCO, 1987 ;

(c) what is the price at which largest producer, M/s. Globe Organics is selling the bulk drug and the reasons for which the formulation prices have not been fixed based on this price ;

(d) whether it is a fact that there is secret understanding between both the formulators and Government ; and

(e) what is the function of his Ministry under DPCO, 1987, if such cases have been allowed to go unnoticed ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE DEPARTMENT OF ELECTRONICS AND THE MINISTER OF STATE IN THE DEPARTMENT OF OCEAN DEVELOPMENT (SHRI EDUARDO FALEIRO) : (a) The prices of leader packs of formulations based on bulk drug Ranitidine were notified on 20-6-1988 on the basis of weighted average import price of Rs. 4396 per Kg.

(b), (c) and (e) M/s. Glaxo, M/s. Ranbaxy and M/s Cadila are now the major formulators of Ranitidine. After the promulgation of the Drugs (Prices Control) Order, 1987, the then major producer of